

Subject: FEBEG's additional comments on ELIA's public consultation on the CBA on requirements for Generators applicable to existing and new Generating Units between 1 and 25 MW

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FEBEG thanks ELIA for having the opportunity to react to the *public consultation on the incentive Cost-Benefit Analysis on Requirements for Generators applicable to existing and new Generating Units between 1 and 25 MW*¹, which is the result of a CREG incentive.

We provide in this document specific comments which have to be read in conjunction with the joined FEBEG/FEBELIEC reaction to this consultation.

The inputs and suggestions of FEBEG are not confidential.

Detailed comments

Chapters 1 – 4

We appreciate the in-depth analysis which was performed by ELIA, comparing the requirements for existing and new PGMs and the so-called Gap Analysis which was done in great detail.

However, we cannot agree with many of the “high level” conclusions that have been made by ELIA in the qualitative assessment. Indeed many of the qualitative assessments as performed by ELIA (based on internal and therefore limited knowledge) were clearly not in line with the feedback that was given by the market parties, who know best the assets they own and for which they are responsible.

Overall, one could wonder what is the value of such qualitative analysis if not based on the real life experience with and in-depth knowledge of the technical reality behind the PGMs.

¹ https://www.elia.be/en/public-consultation/20231106_Cost-benefit-analysis-for-1-25-MW-generator-requirements-within-CREG-incentive

Chapter 5 – feedback from the market parties

FEBEG members have given (as much as possible) feedback to ELIA, via the questionnaires. We like to thank ELIA for the efforts made to prepare and send out a questionnaire and to involve the market parties in the consultation to the extent possible. Feedback is indeed vital to avoid any mis-alignment with reality, which could be very problematic, especially in light of this incentive.

The big issues with a potential ex-post implementation of requirements on a high-level basis is already very clear from the table on page 45 which shows **that only 1 requirement could be considered (models) since all the other requirements are simply technically impossible**. For FEBEG the conclusion is very simple: the CBA demonstrated that any ex-post implementation is impossible except for “models”. We can in therefore remove all the other requirements in the list. In addition, **we wish to underline that modelling could nevertheless be very difficult and/or impossible for older assets (as you just cannot get the information)**. Putting “zero” for the modelling, is already far-fetched and very optimistic in our opinion.

We can only stress that **FEBEG fully agrees with following statement made by ELIA “It is difficult to see a global trend in the answers provided. This stresses the fact that only a case-by-case application where the limiting elements can be provided by the grid users makes sense”**.

On the lack of quantitative information given by market parties, FEBEG refers to the above comments. Indeed, the analysis is only possible “case by case” and no high level conclusion is possible. Therefore, an evidence based and reliable cost assessment is practically impossible. To have reliable and accurate estimates of the costs, in depth studies, performed by external consultants and experts in Grid Code requirements, would be needed for dozens of assets. This would take several months, and the costs would be too high compared to any potential benefits.